THE HON'BLE MS.JUSTICE G.ROHINI

WRIT PETITION NO.2084 OF 2000

Between:

K.Papi Reddy

……..Petitioner

Vs.

Government of A.P., represented by its Secretary, Home Department, Secretariat, Hyderabad.

…….Respondents.

THE HON'BLE MS.JUSTICE G.ROHINI

WRIT PETITION NO.2084 OF 2000

O R D E R:

This writ petition is filed aggrieved by the proceedings of the Collector & District Magistrate, Warangal, dated 01.02.2000 under which, in exercise of the power conferred under Rule 6 (1) of Andhra Pradesh Protection of Depositors Financial Establishment Act, 1999 (for short 'the Act') the second respondent ordered seizure of the house property belonging to the writ petitioner along with two others. The 2nd respondent also directed the Mandal Revenue Officer, Hanmakonda to take over the seized properties under the cover of panchanama and to ensure that the properties
are not transferred or alienated.

It is primarily contended by the petitioner that under the scheme of the Act, the respondents are empowered only to pass an ad-interim order of attachment and forward the same to the competent authority, who in turn shall refer the matter to the Special Court within 15 days thereafter, but the property cannot be seized.

This Court while directing Rule Nisi, by order, dated 11.02.2000 suspended the impugned order, dated 01.02.2000 and the same continued to be in operation all through.

In the counter affidavit filed by the second respondent-District Collector, Warangal it is stated that the reference to the Special Court arises only after passing an ad-interim order by the State Government under Section 3 of the Act and therefore, the impugned order did not

suffer from any infirmity.

Heard the learned counsel for both the parties and perused the material on record.

Section 3 of the Act which empowers the Government to pass an ad-interim attachment of the property in the circumstances specified thereunder, provides that after passing such an ad-interim order of attachment, the Government has to transfer the control over the property to the competent authority and there after, the competent authority shall apply to the Special Court for making the ad-interim order of attachment absolute within 15 days.

In the light of the said provision, though the impugned order cannot be held to be without jurisdiction, since the matter requires consideration by the Special Court, without expressing any opinion on merits, I deem it appropriate to dispose of the writ petition directing the second respondent to take appropriate steps in terms of sub-sections (3) and (4) of Section 4 of the Act read with Rules 6 & 7 of the Rules thereunder. Thereafter, it is open to the Special Court to pass appropriate orders in accordance with law. Till such orders are passed by the Special Court, the respondents are directed not to take any coercive steps against the property in question on the basis of the impugned order, dated 01.02.2000.

The writ petition is accordingly disposed of. No order as to costs.

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G.ROHINI J.,

Dt.12.11.2007

tjs